

IN THE CLAIMS

1. (Currently amended) A computer network system for trading derivatives comprising:
 - (a) a network managing station;
 - (b) one or more market maker stations;
 - (c) one or more subscriber stations;
 - (d) one or more Exchanges;wherein the network managing station connects market makers and subscribers for providing real time indicative quotes, issuing requests for binding quotes, displaying the requests for binding quotes on at least some of the subscriber stations, obtaining binding quotes, and wherein the market makers and subscribers are in communication with an Exchange for sending binding quotes and orders to the Exchange for clearing and confirming transactions; and wherein the network managing station generates indicative quotes for at least one combination products.
2. (Currently amended) The network system of claim 1 wherein a the at least one combination product is comprises a product having a plurality of legs, and the network managing station generates at least one indicative quotes for the at least one combination products in response to at least one theoretical prices for the plurality of legs.
3. (Currently amended) The network system of claim 2 wherein the at least one theoretical prices ~~are~~ is provided by at least one market makers.
4. (Currently amended) The network system of claim 2 wherein the theoretical prices are determined in response to indicative quotes provided by ~~the~~ at least one market makers.
5. (Currently amended) The network system of claim 2 wherein the network managing station generates indicative quotes for combination products in response to at least one spread parameters provided by ~~the~~ at least one market makers.
6. (Currently amended) The network system of claim 5 wherein the at least one spread parameters include a spread edge parameter.

7. (Currently amended) A method for electronically trading derivative instruments comprising the steps of:
receiving a plurality of indicative quote data sets from a plurality of market makers;
receiving a request for a non-binding quote for a combination of selected ones of the corresponding derivatives instruments;
generating a combination non-binding quote based on the plurality of indicative quote data sets;
transmitting the generated combination non-binding quote to at least one market participant over a communication network;
receiving a request for binding quote for the combination of selected ones of the corresponding derivative instruments from at least one of the at least one market participant over a the communication network;
transmitting the request for binding quote over a the communication network to at least one of the plurality of market makers;
receiving a binding quote in response to the transmitted request for binding quote;
and,
transmitting the binding quote to the at least one market participants.
8. (Currently amended) The method of claim 7, wherein the indicative quote data sets include at least one theoretical values.
9. (Currently amended) The method of claim 7, wherein at least one theoretical values for use in generating a combination non-binding quote ~~are~~ is determined in response to the received plurality of quote data sets.
10. (Currently amended) The method of claim 7, wherein the step of generating a combination non-binding quote utilizes at least one spread parameters obtained from a market maker.
11. (Currently amended) The method of claim 10, wherein the at least one spread parameters includes a spread edge parameter and an offset parameter.

12. (original) The method of claim 7, wherein the step of generating a combination non-binding quote is performed by a network management system.
13. (Currently amended) A method for electronically trading derivative instruments comprising the steps of:
 - receiving at least one indicative quote data sets from at least one market makers for a plurality of option contracts, wherein the at least one indicative quote data sets comprises at least bid and ask non-binding prices for the plurality of options contracts;
 - providing at least one non-binding quotes to at least one market participants for at least one specific combinations of at least one options contracts based on the received at least one indicative quote data sets;
 - receiving at least one requests from at least one market participants for at least one binding quotes for the at least one specific combinations of at least one options contracts; and
 - requesting at least one market makers to provide at least one binding quotes for the at least one specific combinations of at least one options contracts.
14. (Currently amended) The method of claim 13 wherein the at least one indicative quote data sets further comprises an associated quantity.
15. (Currently amended) The method of claim 13 wherein the step of providing at least one non-binding quotes to at least one market participants for at least one specific combinations of at least one options contracts comprises:
 - determining at least one component legs of the combination;
 - determining at least one theoretical values of the at least one component legs;
 - summing the at least one theoretical values according to at least one predetermined pricing formulas;
 - applying a spread function to the resulting summation to obtain a two sided non-binding quote; and
 - transmitting the two-sided non-binding quote to a the at least one market participant.

16. (Currently amended) The method of claim 15 wherein the step of providing at least one non-binding quotes to at least one market participants for at least one specific combinations of at least one options contracts further comprises applying an offset function to the summation.
17. (Currently amended) The method of claim 15 wherein the step of determining at least one theoretical values of the at least one component legs comprises using at least one theoretical values received from at least one market makers.
18. (Currently amended) A method for electronically trading derivative instruments comprising the steps of:
receiving at least one indicative quote data sets from at least one market makers for a plurality of option contracts, wherein the at least one indicative quote data sets comprises at least bid and ask non-binding prices for the plurality of options contracts;
analyzing the received at least one indicative quotes to eliminate crossed quotes and responsively providing at least one non-binding quotes to at least one market participants for at least one specific combinations of at least one options contracts based on the received at least one indicative quote data sets, wherein the provided at least one non-binding quotes ~~are~~ comprise at least one quotes that ~~are~~ is non crossed;
receiving at least one requests from at least one market participants for at least one binding quotes for the at least one specific combinations of at least one options contracts; and
requesting at least one market makers to provide at least one binding quotes for the at least one specific combinations of at least one options contracts.
19. (original) The method of claim 18 wherein the step of analyzing the received at least one indicative quotes data set comprises:
sorting the bid prices into descending order and the ask prices in ascending order;
determining if a cross condition exists in the received at least one indicative quote data set; and
disregarding the crossed quotes based on said determining.

20. (Currently amended) The method of claim 18 wherein the step of analyzing the at least one received quotes comprises searching an ordered list of bid prices and ask prices for ~~the~~ a first instance of non-crossed quotes.
21. (Currently amended) A method for electronically trading derivative instruments comprising the steps of:
receiving at least one indicative quote data sets from at least one market makers for a plurality of option contracts, wherein the at least one indicative quote data sets comprises at least bid and ask non-binding prices for the plurality of options contracts;
receiving at least one spread parameters;
providing at least one non-binding quotes to at least one market participants for at least one specific combinations of at least one options contracts based on the received at least one indicative quote data sets and the at least one spread parameters;
receiving at least one requests from at least one market participants for at least one binding quotes for the at least one specific combinations of at least one options contracts;
requesting at least one market makers to provide at least one binding quotes for the at least one specific combinations of at least one options contracts; and
archiving quote generation data used to provide the at least one non-binding quotes to at least one market participants.
22. (Currently amended) The method of claim 21 wherein the archived quote generation data includes at least one market ~~makers'~~ maker's volatility levels.
23. (Currently amended) The method of claim 21 wherein the archived quote generation data includes at least one prices over a range of at least one of option strikes, interest rate, days to expiration, and a bid/ask spread.
24. (Currently amended) A method for electronically trading derivative instruments comprising the steps of:
receiving a request for a binding quote for a combination of selected derivative

instruments from at least one market participant over a communication network;
transmitting the request for binding quote over a the communication network to at least one market maker;
displaying to the at least one market maker the market maker's indicative quote, and ~~the a~~ corresponding aggregate best indicative quote;
receiving a binding quote in response to the transmitted request for binding quote; and
transmitting the binding quote to the at least one market participants.

25. (Currently amended) The method of claim 24 wherein the at least one market maker's indicative quote is ~~shown~~ displayed in the color green if ~~it~~ the at least one market maker's indicative quote equals the corresponding aggregate best indicative quote.
26. (Currently amended) The method of claim 24 wherein the step of displaying to the at least one market maker the market maker's indicative quote, and the corresponding aggregate best indicative quote, includes displaying a quote ticket, wherein the quote ticket may be used for submission of a binding quote.